

THE SUSTAINABILITY STOCKTAKE

DELIVERING
NET ZERO

MISSION? NET ZERO

Climate change is no longer a problem for the future - it's happening right now. You only have to turn on the news to see catastrophic wildfires, melting glaciers, and weather extremes.

In response, the net zero landscape is changing rapidly. We thought it was time to take stock, look at how far we've come, and redirect our action to truly achieve net zero.

Over the last few years we've had considerable successes; our offices are powered by renewable energy, we've grown our electric vehicle fleet by 150% since the release of our last sustainable pathway, and launched a zero-emission e-bike waste collection service to decarbonise last-mile deliveries.

We won't shy away from the challenges ahead, either. We operate a significant road fleet that needs to transport waste all over the country, and we share many of the same concerns as the rest of the UK's transport sector. The journey to net zero continues.

That's why we're creating our Net Zero Roadmap. This is a realistic and ambitious strategy that details exactly what we will do internally as a business, and externally for our clients.

Our mission, if we choose to accept it?
Net Zero!



THE JOURNEY SO FAR

The strides we've taken towards net zero so far....



Trialling an AI powered sorting arm to increase efficiency



Full ownership of our MRF to reduce contamination and maximise recycling quality



Launching services for hard-to-recycle waste types, like flexible plastics



Offering zero emissions last-mile deliveries with cargo bikes and launching an e-bike waste collection scheme



Expanding our recycled and ethical office supplies arm

WE'VE ACHIEVED MANY OF OUR INITIAL GOALS



A CHANGING LANDSCAPE

We want to shine a light on the challenges we face as a business committed to Net Zero.

In 2021, we published our 'SustainABLE Pathway' strategy laying out our carbon reduction commitments up to 2030. We've achieved many of our initial goals, including producing new decarbonised waste products and services, trialling innovative AI technologies, and sharing our sustainability expertise with customers.

However, something we couldn't know at the time was how much the institutional consensus on net zero would change, and how much we would develop as an organisation too.

We could say that in the past three years, the goal posts have moved.

The new definition of Net Zero is much harder to achieve; it now requires full decarbonisation (rather than net zero achieved through offsetting). This includes Scope 3 emissions.

These emissions can be found at many points throughout our value chain, often in places out of our control. This may look like energy losses from transmitting power across the National Grid, or the emissions produced by manufacturing the steel used to make our trucks.

We support these changes - it prevents organisations from obscuring data and we believe that offsetting and carbon credits alone are not sufficient to achieve true net zero. We want real carbon reductions.

And finally, Recorra has grown enormously, bringing real recycling to more businesses than ever before.

All of these changes mean that we need to change our strategy - but not our direction. We're committed to net zero and it's within our reach.

The last few years have shown tremendous new developments that bring hope. Clean technology is advancing dramatically, from the plummeting price of solar panels to the massive expansion of the use of electric vehicles.

Companies all over the world are committing to, and taking action on, net zero. These inventions, combined with the action, creativity, and ambition that defines humankind, is how we know net zero is possible.

The following pages demonstrate how our net zero journey is tied to changes across sectors of the UK. Here you will find our Net Zero Roadmap, which lays out our new strategy in its entirety.

WHAT IS NET ZERO?

There's often a lot of confusion as to what 'Net Zero' means and why it matters. So let's go over the fundamentals:

Almost everything humans do in modern society requires energy. Driving to work, charging your devices, growing food, making clothes. These activities require large amounts of energy which mainly comes from burning fossil fuels - oil, coal and natural gas.

However, when those fuels burn they produce greenhouse gases. These are colourless, odourless gases that have a special property - they can trap heat.

Once emitted, they float up and become trapped in the earth's atmosphere. The earth's ability to remove these gases is very limited, and very slow - so once trapped, they just stay there, heating everything beneath it up.

As these gases build up, they increase the temperature of the planet itself. This process - which we call 'the greenhouse effect', is causing global warming.

These rising temperatures are interfering with the earth's natural ecosystems. Small increases in temperature, just a few degrees, can have catastrophic impacts.

When the world is hotter, more ice melts, making sea levels rise, flooding coastal areas. Heat disrupts normal weather patterns producing extreme storms, dries out forests causing devastating fires and kills crops causing food insecurity. These are just some of the impacts of what we now call climate change.

Quite simply Net Zero is the solution to the climate change problem. The only way to prevent dangerous warming is to stop emitting greenhouse gases entirely, and balance any unavoidable emissions with removals to keep the delicate system in balance.

The United Nations made an agreement in 2015 to limit global warming to 1.5 degrees. Currently the earth's surface temperature is 1.1 degrees higher than it was before we started burning fossil fuels as a part of the industrial revolution in the late 19th Century.

To achieve this target we have to rapidly cut the amount of fossil fuels burnt, and transition to a zero emissions energy supply before 2050.



**ACHIEVING NET
ZERO BY 2050 IS
UK LAW.**

UNDERSTANDING SCOPES

Delivering emissions reduction for our clients.

An essential aspect of Net Zero is to understand 'scopes'. These are categories organisations use to more easily measure and manage their emissions.

A full carbon footprint includes all three categories, scopes 1, 2 and 3. You can see what they refer to in the diagram below:

Direct Emissions

Fuel you buy and burn directly

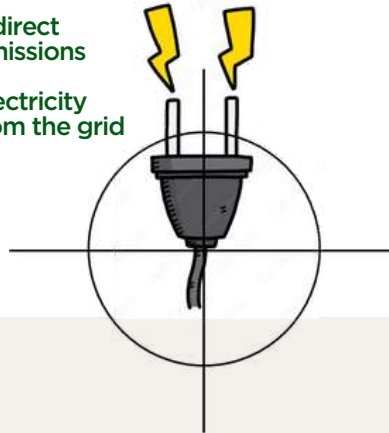


Scope 1

For Recorra, Scope 1 refers to the diesel burnt in our road fleet and machinery.

Indirect Emissions

Electricity from the grid



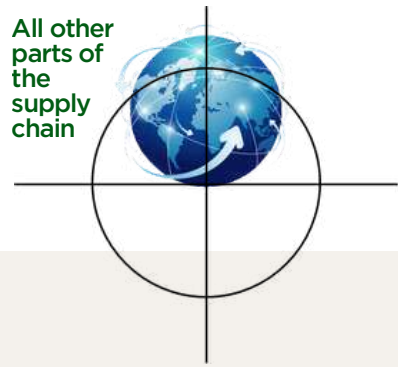
Scope 2

Scope 2 refers to the electricity consumed to power our offices and MRF.

All our energy is sourced from REGO-backed green tariffs - and this is just the start.

Value Chain Emissions

All other parts of the supply chain



Scope 3

Scope 3 relates to 15 separate areas of our value chain.

The 'value chain' refers to the emissions of all vendors, suppliers, partners and customers that also produce direct emissions. Therefore their scope 1 and 2 emissions are our Scope 3 emissions.

This means our emissions, from transporting waste is part of our client's Scope 3 footprint.

We're launching more recycling and consultancy services, further investing in our operations to help our clients on their net zero journeys, for now, and in the future.

What we do affects our clients' net zero progress, and what our clients do affects our own - we're quite literally in this together. So for every kilo of carbon we avoid, and every pound we spend on our decarbonisation, we help reduce our clients' footprints.

From the release of our last sustainability strategy in 2021 we've increased the number of electric vehicles by 150% and will invest £7 million over the next 5 years to continue decarbonising our fleet.

NET ZERO TARGETS

Our short and long term targets to achieve net zero.



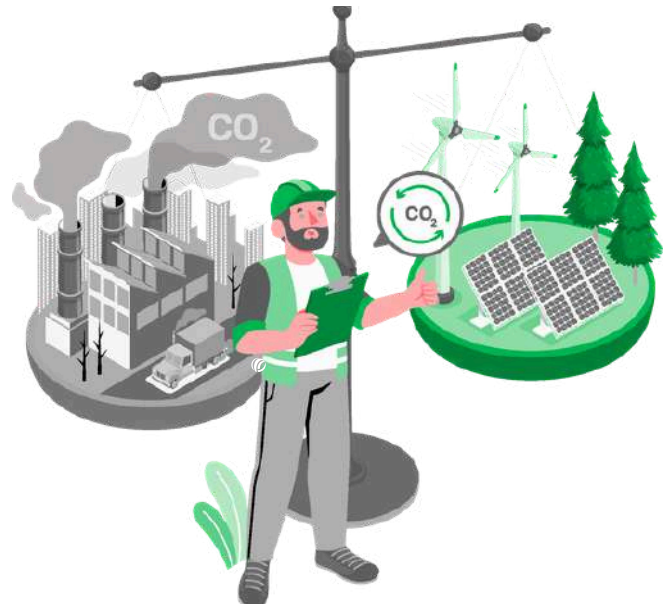
2040 ZERO DIRECT EMISSIONS

We will achieve zero emissions across our energy and operations (Scope 1 and 2).



2030 HALVE OUR EMISSIONS

We will halve our direct emissions intensity from our 2019 baseline (Scope 1 and 2).



2050 TOTAL NET ZERO

We will achieve net zero emissions by 2050. This involves zero emissions across Scope 1 and 2, and a 90% reduction across Scope 3 from our 2019 baseline.

NET ZERO ENABLERS

Processes and projects we will use to drive consistent progress on net zero.



Internal Governance



Clean Technologies



Supply Chain Collaboration



Independent Verification

NET ZERO ROADMAP



CUT OUR EMISSIONS

Short and Longterm Emissions
Reduction Targets
Industry Collaboration Clear
Progress

CUT OUR CLIENTS' EMISSIONS

Share our Expertise
Create Climate Action
Consult and Train



ADOPT TECHNOLOGIES

EV Transformation
Energy Infrastructure
Renewable Fuels



REPORT AND DISCLOSE

Gold-Standard Disclosures
Full Transparency
No Greenwashing

DECARBONISING THE UK

Recorra's journey in wider context

Recorra net zero journey depends heavily on government policy and wider industry decisions over the next few decades - there is only so much we can do alone.

As a waste company, we lie at the intersection to two key sectors that the UK must decarbonise - freight, and waste. The government's decarbonisation journeys for these sectors are called 'transformation pathways' and below we outline the ways our internal strategy aligns with that wider trajectory.



WASTE TRANSFORMATION

- Facilitate waste prevention

We provide zero waste strategies and advise on reducing total waste production.

- Increase recycling rates and expend landfill bans

We have a Zero to landfill policy and trained operatives increase recycling rates.

- Adopt Carbon Capture and Storage at Energy from Waste plants

Recorra works with Cory Environmental, the EFW plant building a flagship carbon capture facility.

FREIGHT AND TRANSPORT TRANSFORMATION

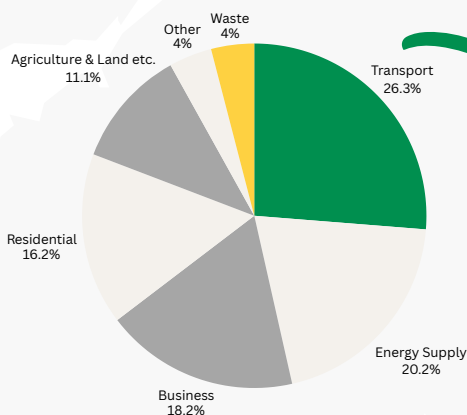
- Electric Vehicle Revolution

Recorra is scaling up its electric fleet with brand new electric HGVs, retrofitted eRCVs and electric cars and vans.

- Improve efficiencies of route planning
- We use consolidated collections to reduce vehicle movements.*

- Waste consolidation hubs to reduce vehicle use for last mile delivery

Our cargo bikes decarbonise last mile deliveries for small quantities of waste.



UK Emissions by Sector

WASTE AND TRANSPORT TOGETHER ARE ALMOST 30% OF THE UK'S CARBON FOOTPRINT, AND TRANSPORT IS THE LARGEST!

This means that the obstacles we face as a business are shared across the UK, and some of the largest to overcome on the journey to Net Zero.

A CALL FOR COLLABORATION

Although, 2050 seems like a way off, we cannot continue to ‘kick the can down the road’ as they say. We all must take action to reduce our emissions, both now and consistently over time. As we’ve shown in our stocktake, our decarbonisation journeys are all connected to one another.

Another way of putting this is that when one of us wins, we all win. Our progress is shared. Every kilogram of carbon saved through electric vehicle collections reduces our clients’ waste emissions, while every extra tonne of material recycled as opposed to incinerated or landfilled reduces material emissions across the UK.

So this is a call for collaboration, between suppliers, partners and clients, to work together on this enormous challenge we all face. We know that we can’t do this alone.

Our mission, should we choose to accept it? Net Zero.



JARGON BUSTER

Net Zero

A target of reducing all greenhouse gas emissions to as close as zero as possible, and offsetting any avoidable emissions left over.

Carbon Capture and Storage

A process that directly removes carbon from the atmosphere, either naturally through trees and oceans or through industrial processes.

Carbon Dioxide

The greenhouse gas produced when fossil fuels are burnt, also the most plentiful of the greenhouse gases.

Greenhouse Gas

Types of gases which trap heat, including carbon dioxide, methane, nitrous oxide and F-Gases.

Scopes

Categories of emissions that make up an organisation's carbon footprint, divided into scopes 1, 2 and 3.

Euro 6

A compliance standard for vehicles from the European Union, relating to the harmful pollutants produced from the exhaust.

Carbon Offset

A project that prevents or removes a certain amount of carbon dioxide from the atmosphere, usually planting trees or generating renewable energy. These projects form the basis of carbon credits.

Decarbonisation

The process of transitioning from an activity that emits greenhouse gases, to one that does not, usually by switching energy source.

REFERENCES

Information in this roadmap comes from these sources:

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